

Subject: FW: May 16 Update - Governor Continues Call for End of Redevelopment -
From: "Hong, Yonah" <yhong@cra.lacity.org>
Date: 05/16/2011 05:37 PM
To: Donald Duckworth <duckworth.donald@gmail.com>

FYI - thanks!

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From: John Shirey [mailto:lhenegar@calredevelop.org]
Sent: Monday, May 16, 2011 4:07 PM
To: Hong, Yonah
Subject: May 16 Update - Governor Continues Call for End of Redevelopment -

GOVERNOR CONTINUES TO CALL FOR END TO REDEVELOPMENT

Today, the Governor released his FY 2011-12 Budget Revision, which maintains his original proposal to eliminate redevelopment agencies and divert \$1.7 billion of tax increment to Medi-Cal and trial courts in the budget year and after that to the underlying taxing entities.

The May Revision document can be found at the [Department of Finance website](#).

This is the same redevelopment elimination proposal that has been declared illegal by Legislative Counsel and numerous constitutional and redevelopment legal experts. The proposal represents the same State raids of local government funds that voters have repeatedly voted to end, and it would result in hundreds of thousands of lost jobs and billions in lost economic opportunity every year.

In a switch of positions, the Governor is now recommending retaining enterprise zones instead of ending them. He is recommending reforms that would focus incentives on new jobs.

BUDGET DEADLINES

The State Constitution requires that the Legislature send to the Governor a budget by June 15 and that the Governor sign it by July 1. It's been a while since these deadlines were met, but for the first time legislators risk loss of pay if the deadline is not met.

Last week, the Assembly Republican caucus released their recommendations for a “No Tax Increase Budget,” which includes a non-committal nod to the CRA alternative to increase funds for schools through voluntary contributions.

URGE YOUR STATE LEGISLATORS TO SUPPORT REDEVELOPMENT

Despite the Governor’s persistent resolve to eliminate redevelopment, CRA continues to promote its voluntary contributions to schools alternative and redevelopment reforms. CRA members and their local partners are encouraged to keep state legislators informed about the value of redevelopment in their districts as well as urging their support for the CRA alternative revenue solution and the reforms in SB 286 (Wright) and SB 450 (Lowenthal). [Click here for a link to a summary of the voluntary contributions to schools proposal.](#)

There is information available about communicating with legislators at our website using the CapWiz tool under Legislation, <http://capwiz.com/calredevelop/home/>.

For more information, go to [CRA's website](#) under [LEGISLATION](#) or contact Lillian Henegar at lhenegar@calredevelop.org.